

V. FINDING

25. ALTERNATIVE SELECTED:

I select for the PROPOSED ACTION involving the exchange of five parcels of state trust land for four parcels of land owned by Five Valleys Land Trust (FVLT) as described in Chapter I. A. on pages 2 & 3 of the DNRC/Five Valleys Land Trust Land Exchange Environmental Assessment (EA) dated March 1, 2007.

This alternative best meets the Purposes of the exchange - to consolidate state trust land holdings, improve access for management of state land, allow continued management of lands at Tarkio and Cyr for revenue generation as well as recreation and wildlife habitat values (EA page 4) and allow for the eventual sale and private development of lands owned by FVLT thereby enhancing the private land tax base in Mineral County. This alternative is consistent with state law regarding land exchanges (77-2-201 through 77-2-217), is consistent with the DNRC Land Exchange Policy (revised December 2004), and meets/exceeds the 7 criteria adopted by the Montana Board of Land Commissioners for evaluation of land exchange proposals. Potential benefits of the PROPOSED ACTION are noted (bulleted) in Chapter II B. on page 27.

The EA evaluated impacts of NO ACTION and the PROPOSED ACTION, as well as the inclusion of two additional state trust parcels (Portion of Camp 4 south of the Old Milwaukee Railroad Right-of-Way and Cayuse Hill). The analysis displays a reasonable range of alternatives from which to make my decision.

The NO ACTION alternative does not meet the stated purposes of the exchange outlined in Chapter I. C. (page 4 of the EA). Implementation of NO Action would likely result in the sale of the FVLT properties to private buyers. The benefits associated with state land consolidation, improved public and administrative access to state land, and increased revenue production for the school trust would not be realized. In addition FVLT lands with important conservation values would likely be sold to private interests against the wishes of the local community and the advice of the Montana Department of Fish Wildlife and Parks. A detailed description of NO ACTION is contained in Chapter II A. – pages 20-26.

The portion of the Camp 4 parcel south of the Old Milwaukee Road Right-of-Way was removed from exchange consideration for several reasons:

1. The parcel contains potentially high recreation values including approximately .2 miles of Clark Fork River frontage (EA Chapter II. C - page 35).
2. Montana Department of Transportation (MDT) holds an easement for "highway purposes" (gravel extraction) on the parcel. MDT indicated they were not inclined to relinquish these easement rights at this time. Since there is a potential for gravel extraction, establishment of homes would likely be difficult.
3. The easement creates limitations on the parcel that significantly reduced the value of the land.

These factors created a situation where exchange was not in the school trusts or public's best interest at this time.

The Cayuse Hill parcel was removed from land exchange consideration due to it's high appraised value and resultant need to remove other high priority state parcels from exchange consideration (to balance values), public concerns for loss of high value conservation and recreational use property, surplus state-owned water frontage inconsistent with state law (77-2-203) and Department Policy – Land Exchange Criteria #2, and identification of this area as a key wildlife movement corridor and "linkage zone" by the Mineral County Wildlife Working Group. In addition, the disposal of this tract was inconsistent with DNRC plans for further consolidation of state lands in this area (EA Chapter II C. – pages 34 & 35).

I agree with the rationale that these parcels be dropped from exchange consideration.

On numerous occasions during the public involvement process, a concern was expressed that this land exchange proposal needed to compensate Mineral County for a loss in high value taxable private land base that

occurred in the Alberton Gorge Land Exchange. While the Mineral County Commissioners have affirmed this concern numerous times, this concern is outside the scope of this analysis. The Alberton Gorge Land Exchange involved the US Forest Service, Montana Department of Fish, Wildlife and Parks, Montana Power Company and River Network with Northwestern Energy stepping in for Montana Power, and Five Valleys Land Trust taking over the role of River Network late in the transaction.

The economic impacts to Local and State Tax Base and Tax Revenue from this proposal are displayed in Chapter 4N. of the EA (page 55 & 56). The exchange is expected to result in a net increase in tax revenue to Mineral County.

There were comments and concerns expressed at the April 3, 2007 public hearing regarding the purchase price of lands proposed for exchange to FVLT. Arrangements for sale of lands owned by FVLT are beyond the scope of this land exchange analysis. However, due to the accepted standards and practices for land trusts, as set forth by the Land Trust Alliance, FVLT is obligated to seek fair market value, at a minimum, when disposing of land assets.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

Montana Administrative Rule 36.2.524 outlines criteria for the determination of significance including;

1. Severity, duration, geographic extent and frequency of occurrence
2. Probability impacts will occur
3. Growth inducing or Growth inhibiting aspects
4. Quantity and quality of environmental resources affected
5. State and/or societal Importance of affected resources
6. Precedent setting implications
7. Potential conflicts with existing federal, state and local plans

This project went through an extensive public scoping process involving newspaper announcements in the Mineral Independent, and mailings to interested individuals, organizations, agencies, politicians, adjacent landowners, and lessees. Responses from scoping were used to identify potential issues that might result from the proposal. In addition resource and technical specialists analyzed the proposal relative to their specific disciplines.

Changes made to the proposal as a result of the information acquired included:

- dropping the portion of the Camp 4 parcel south of the Old Milwaukee Road Right-of-Way
- removing the Cayuse Hill parcel from land exchange consideration

In response to concerns the following mitigations have been identified for inclusion into the PROPOSED ACTION alternative:

- On the Saint Regis parcel residential lessees would be given the first option to purchase from FVLT the property they currently lease from the State at the values established by the exchange appraisal.
- On the Slowey Riverfront parcel FVLT would negotiate with FWP regarding the disposition of the recreational use easement and securing additional recreational access easement or fee lands in Mineral County.
- On the Camp 4 parcel FVLT would require the inclusion of a recreation trail easement to provide access to adjacent public lands as a provision of any sale to insure continued access to adjacent Federal Lands

The summary table in Chapter II D. (pages 36 & 37) of the EA provides a brief overview of anticipated impacts to the human and physical environment from both the NO ACTION and PROPOSED ACTION Alternatives. These impacts are further described in greater detail in Chapter III of the EA. Based upon my review of this information I have concluded that **implementation of the Proposed Action will not create significant environmental impacts.**

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

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EIS

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More Detailed EA

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No Further Analysis

EA Checklist Approved By:	Name: Anthony L. Liane
	Title: Area Manager, Southwestern Land Office
Signature: 	Date: 5/2/07